

**UNITED MEMBERS OF LOCAL 9
PO BOX 683
DOVER PLAINS, NEW YORK 12522**

November 9, 2006

Association of Commuter Rail Employees
420 Lexington Avenue
Room 215
New York, New York 10170
Attn: Michael Doyle, General Chairman

Re: Discrimination of Wages

Dear Mr. Doyle:

On September 11, 2006, in lieu of the summer issue of News by the Acre Publication, "Progression Rates of Pay for Craft Transfers Resolved by General Committee" and in the fall issue on page 14 (a copy is enclosed for your convenience), we discovered that the Junior Members of Local 9 in the Locomotive Engineers' class of May 21, 2004, had their original hire dates with Metro-North honored for their time served with the company raise. This change to the progression rate process, as we pointed out, is the way it should be.

We, however, received no notice from either Metro-North or the Union of a change put into effect that would adversely affect any Senior Engineer still in the progression rate process on May 21, 2004. Not to acknowledge Senior Locomotive Engineers who were still in the progression rate process on May 21, 2004 would be discrimination. As you are fully aware, being our General Chairman, this is a Union based craft and these Junior Engineers are escalating in pay much faster than us Senior Engineers who still have to wait until their "Engineer Class Date" for their increase in salary. Since this change has been made, most of these Junior Engineers are either matching our percentage rate of pay or have exceeded us. This imbalance must be corrected.

Any employee who has five (5) years with Metro-North should have full financial acknowledgement for service with the company, regardless of what job they had transferred into. The fact is they still work for the same company and should not be penalized for taking a promotion to better themselves. That would be a resolution.

However, this document addresses the change made effective May 21, 2004. The Senior Engineers who were still in the progression rate process on May 21, 2004 must be put back into their proper step rate standings. This, to be effective

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immediately, all Engineers who were still in the progression rate process and not at 100% of their pay rate on May 21, 2004, must receive the following:

1. A step rate adjustment retro-active on May 21, 2004, the date the first class of Junior Locomotive Engineers received benefit from the change mentioned in the Acre newsletter and verified by us (e.g., if an Engineer was at 70% on May 20, 2004 he would receive an adjusted step rate on May 21, 2004 and would now be at 75% of their rate of pay.)
2. As of May 21, 2004, all Engineers listed below as well as all Engineers who were still in the progression rate process prior to that day will have their original hire dates with Metro-North honored for time served with the company raises from that day forward.

As our General Chairman you are the first and proper channel for us to present these requirements. You may contact any one of us for questions and to inform us when these requirements are fulfilled. Please respond within seven (7) business days of receipt of this letter.

Thank you for your attention.

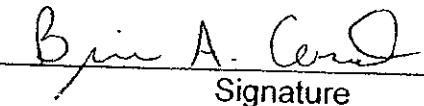

Signature

Name: Kenny Schulze
Man No.: 111967
Date of Hire: 3/15/93
Engineer Class Date: 12/09/02

With all sincerity,


Signature

Name: Mike Kology
Man No.: 112480
Date of Hire: 12/12/94
Engineer Class Date: 12/09/02


Signature

Name: Brian Conrad
Man No.: 113018
Date of Hire: 07/06/98
Engineer Class Date: 12/09/02


Signature

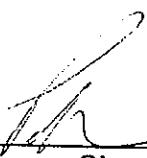
Name: Kenny Dibble
Man No.: 113486
Date of Hire: 02/07/00
Engineer Class Date: 05/27/03

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Signature

Name: Matt Eirich
Man No.: 113599
Date of Hire: 07/17/00
Engineer Class Date: 05/27/03



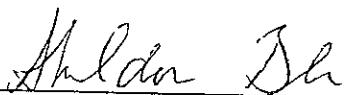
Signature

Name: Peter Krol
Man No.: 113618
Date of Hire: 07/31/00
Engineer Class Date: 07/28/03



Signature

Name: John Cruise Jr.
Man No.: 113726
Date of Hire: 11/20/00
Engineer Class Date: 07/28/03



Signature

Name: Sheldon Blair
Man No.: 113764
Date of Hire: 02/05/01
Engineer Class Date: 07/28/03



Signature

Name: Edgar Vellotti
Man No.: 113819
Date of Hire: 05/07/01
Engineer Class Date: 07/28/03



Signature

Name: Henry Pride
Man No.: 114055
Date of Hire: 05/28/02
Engineer Class Date: 07/28/03

Enclosure
Via Certified Mail
Return Receipt Requested

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Association of Commuter
Rail Employees
420 Lexington Ave
Room 215
New York, NY 10170
Attn: Michael Doyle
Chairman

COMPLETE THIS SECTION ON DELIVERY

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PS Form 3811, July 1999

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May 1, 2007

Via Telefacsimile and Mail

Broach & Stulberg, LLP
One Penn Plaza
Suite 2016
New York, New York 10119

Attn: Ira S. Cure, Esq.

Re: ACRE and Members Cruise, Conrad,
Dibble, Eirich, Kology, Krol, & Velotti
Our File No. 4422

Dear Sir.:

Please be advised that the law firm of Holm & O'Hara LLP represents the Association of Commuter Rail Road Employees ("ACRE"). Your letter dated April 11, 2007 has been referred by Mr. Lindenberg to counsel and Mr. Doyle for response.

Your letter regarding the above named members is substantially incorrect. ACRE has addressed this issue which is not a contract violation, directly with the Carrier. In fact there is no contract violation or contract entitlement under the collective bargaining agreement with Metro-North.

The original issue regarding the process under which persons from other crafts are put in the step system of increases for Engineers was raised regarding the class of 2004. Representatives of ACRE met with the Carrier to address a problem with an engineer's transfer date which immediately preceded a step rate increase. This would result in more than a 12 month wait for a step rate increase. The Carrier agreed to prospectively adjust this problem by allowing the transfer engineer to maintain his current craft's scheduled step rate anniversary date for purposes of step rate increases. The "anomalous result" of some persons in later classes earning more than earlier classes existed when the system was initially instituted and exists now. Persons entering at higher rates may exceed not only the rates in their own class but also the rates in the classes hired ahead of them. There is no perfect solution to differing rates.

In the interest of fairness, ACRE asked the Carrier to address long delays in a step rate increase. The Carrier would only agree to address the issue prospectively for the class of 2004.

Broach & Stulberg, LLP
Ira S. Cure
May 1, 2007
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Engineers who had not yet been in engine service for a year and who had not accrued a step rate increase based upon their engine service date were given consideration.

In the fall of 2006, Mr. Doyle was approached by some of your clients and he responded that he would address their concerns with the Carrier. No "grievance" was filed or discussed and no promise was made to change all seniority dates.

ACRE pursued a resolution with the Carrier on behalf of the class of 2002 but the Carrier will not give retroactive relief to the class of 2002.

The issue has been resolved in the following manner:

John Cruise – will go to 90% and effective 11/20/07 will go to 100%
Brian Conrad – will go to 100% on July 6, 2007 instead of 12/23/07
Edgar Velotti – will go to 90% on May 7, 2007 instead of July 28, 2007
Matthew Eirich – will go to 90% and will go to 100% on July 17, 2007
Kenny Dibble – will go to 90% and will go to 100% on February 2, 2008
Peter Krol – will go to 100%
Henry Pride – will go to 100% on May 28, 2007
Sheldon Blair – will go to 90% and will go to 100% on February 5, 2008

Michael Kology was at 100% step rate in his former craft and consequently is not subject to any expectation of a step rate adjustment based on any other date than his transfer to engine service date.

I trust this explanation addresses your concerns.

Very truly yours,



Vincent F. O'Hara

VFO/vb

cc: Michael Doyle
Anthony Bottalico
Joseph Lindenberg
James Fahey

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